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KUMASI MARKETING STRATEGY: TOURISM

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Kumasi Marketing Strategy: Tourism

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Executive Summary

- ◆ Kumasi needs to position itself strategically as a cultural destination, communicate its attributes more effectively to tourists already in Ghana and differentiate itself from other cities and attractions
- ◆ Position should entail marketing a larger cultural region than just Kumasi
- ◆ Several positioning statements can transmit Kumasi's new marketing strategy:
 - Kumasi - Heart of the Kingdom of Ashanti
 - Ashanti - The Hidden Kingdom
 - Kumasi - Come and See!
- ◆ Kumasi is well placed to capitalize on the growth of tourism in Ghana due to its status as a cultural capital
- ◆ The financial impact of tourism growth is potentially significant for the city and its surrounding districts
- ◆ The creation of the Ashanti Region Marketing Corporation is fundamental to proper coordination among stakeholders

Potential Growth

Target audience

Case Studies

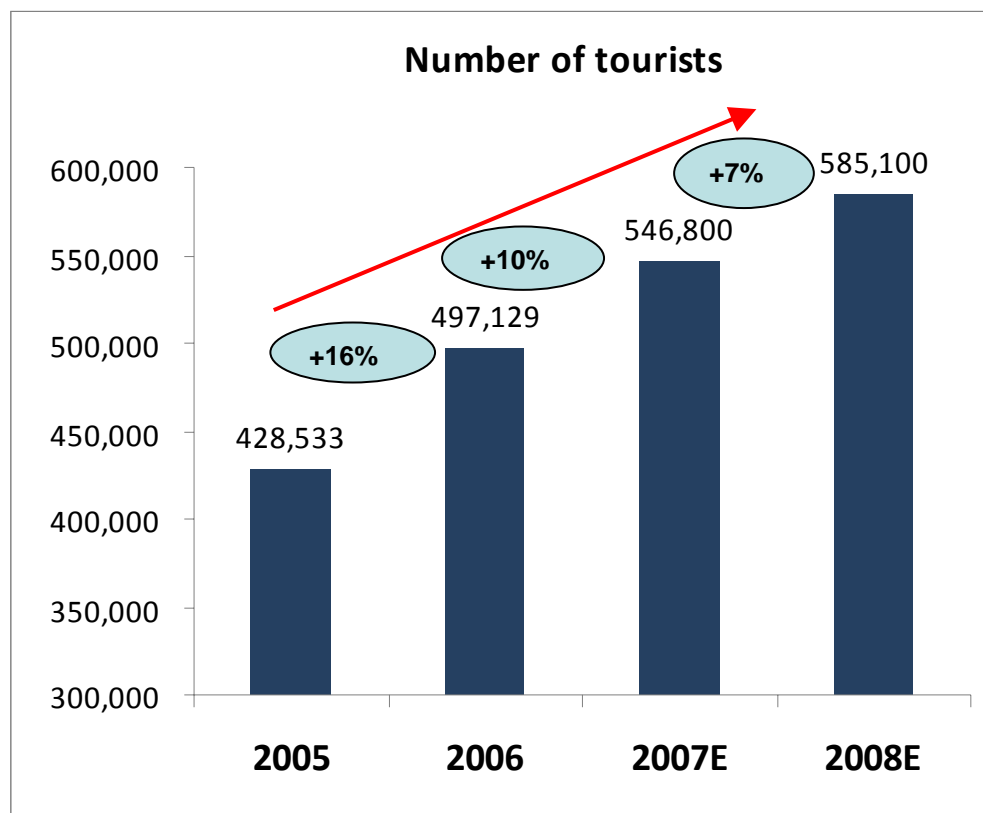
Kumasi Product and Positioning

Communication

Implementation

Tourism Growth Trends are Very Positive

- ◆ Tourism to Ghana is growing, and Kumasi is well positioned to capitalize on it



- **Industry Value:** US\$ 986 million in 2006¹
- **Growth:** +16% in arrivals, and +18% in receipts
- **Foreign Exchange:** 3rd largest earner
- **FDI in Tourism:** 30.2% CAGR - Compound Annual Growth Rate (2000-2006)
- **As Ghana's 2nd largest city, Kumasi should be able to capture a larger share of the growing tourism market in Ghana.**

Sources: Internal data from Ghana Tourist Board; KPMG (2008). *Project Kumasi* (New York: KPMG); World Bank Group (2007). *Benchmarking FDI Competitiveness, Snapshot Africa – Ghana*: http://www.fdi.net/documents/WorldBank/databases/snapshot_africa/ (Washington, D.C: World Bank Group/MIGA).

Kumasi Should Target Current Tourists in Ghana

- ◆ Kumasi should focus on current Ghanaian tourists because they can be more effectively targeted and are perhaps more interested in visiting Kumasi
- ◆ The Ghana Tourism Board (“GTB”) is well positioned to help attract new tourists

Current tourists (Accra and/or beaches)

- Low cost of making an additional stop in Kumasi
- Interested in complementing their holiday / business trip with a cultural destination
- Low cost of reaching this market with targeted campaigns
- Small population

New tourists (Not currently considering Ghana)

- Perceived high cost of traveling to Ghana
- Low awareness of Ghana as a tourist destination
- Potentially large population
- Kumasi should only look for opportunities to attract new tourists with the collaboration of the GTB

Potential Growth

Target audience

Case Studies

Kumasi Product and Positioning

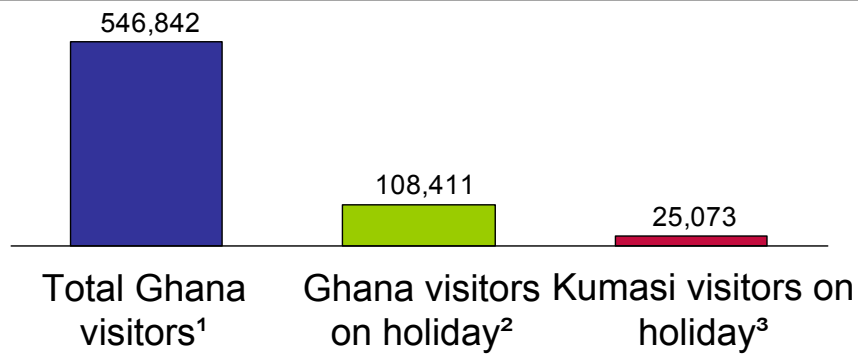
Communication

Implementation

Increase in Tourism Offers a Significant Financial Reward

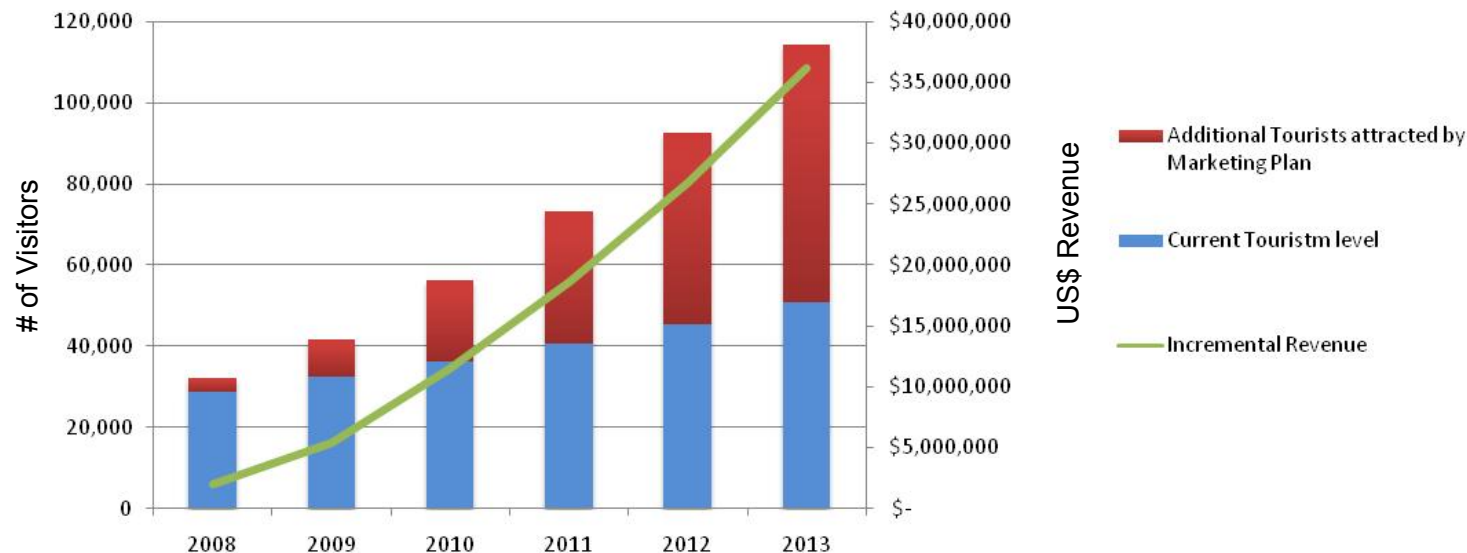
Current Situation:

- Only about 25% of Ghana visitors on holiday go to Kumasi



Opportunity:

- Annual tourism revenue could increase to more than US\$ 35 million in 5 years time if Kumasi can attract 25% of Ghana's business and conference tourists and 30% of Ghana visitors on holiday (from 25% currently) to visit Kumasi
- This objective can be achieved through a comprehensive marketing program



Sources: KPMG (2008). *Project Kumasi* (New York: KPMG); Ghana Tourist Board internal data.

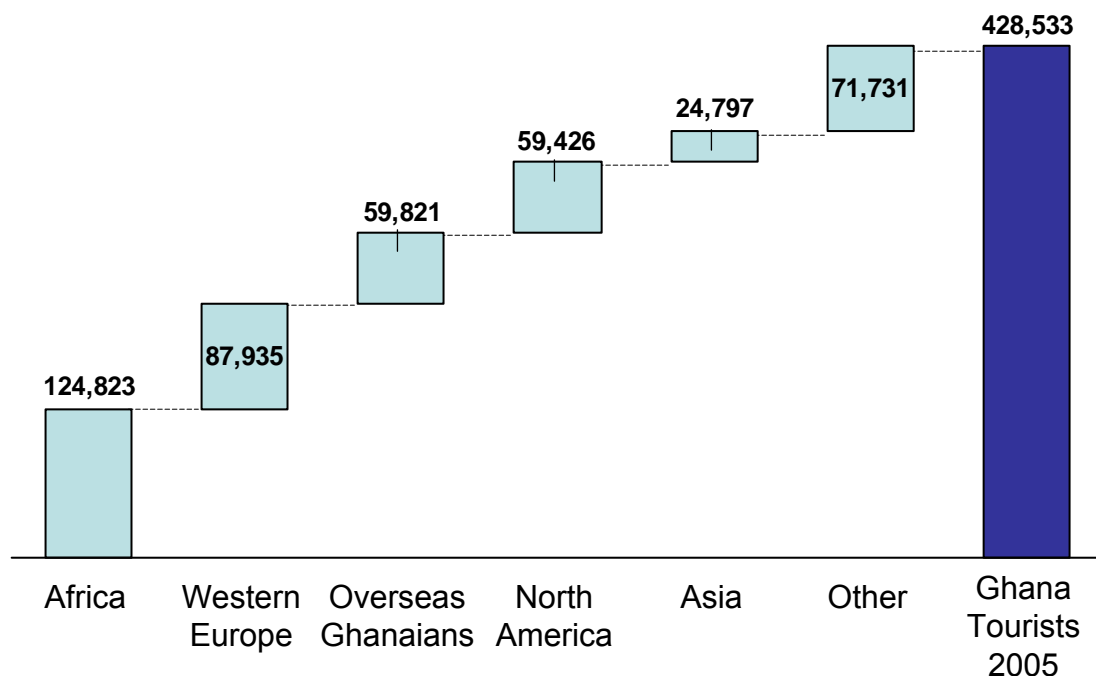
1.- Using GTB tourism figures for 2006 and a conservative growth rate of 8% 2.- Using visit purpose information from the GTB.

3.- Annualized data from KPMG (60% of visits from July to December).

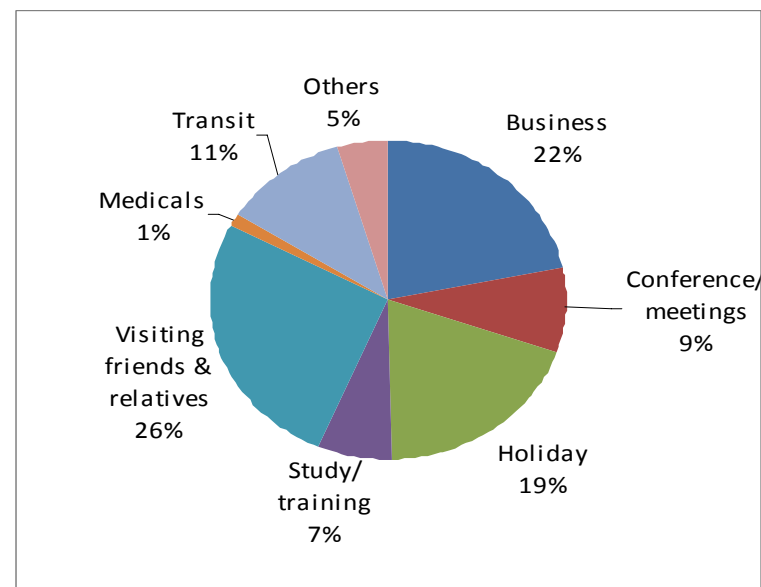
Target Market by Nationality and Purpose of Visit

- ◆ The majority of tourists come from Africa, Western Europe and the US
- ◆ Almost 50% of overall visitors come to Ghana for business, conferences or holidays (see chart below). There is an opportunity to attract these tourists to Kumasi

Visitors, by nationality



Ghana visitor breakdown



Potential Growth

Target audience

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Case Study: Antigua, Guatemala (1/2)

Initiative

Overview

Description

- ◆ Antigua is the second largest city in Guatemala, but remains in the shadow of Guatemala City
- ◆ Businesses prefer to be located in Guatemala City due to access to governmental agencies, transportation, commerce, and advanced business services/infrastructure
- ◆ Historical and cultural capital of Guatemala since Spanish rule
- ◆ Country's only international airport is in Guatemala City
 - Visitors must be shuttled to Antigua once in-country
- ◆ Currently serves as the municipal capital of the surrounding region



Case Study: Antigua, Guatemala (2/2)

Initiative

**Positioning
and
actions**

Results

Tag line

Description

- ◆ Antigua was designated as a UNESCO World Heritage Site
- ◆ Marketed as a region within the national tourism strategy
 - ◆ Well-funded tourism department with multi-lingual website
 - ◆ Police department dedicated to assisting tourists
 - ◆ Conveniently located information centers (hotels, airport, main attractions)
 - ◆ Cooperated with airline marketing strategies
- ◆ Marketed as a gateway to surrounding regional attractions
 - ◆ Mayan (indigenous people) villages and markets
 - ◆ Coffee plantations, hiking/ecotourism, volcanoes
- ◆ Well preserved archeologically and architecturally important sites
- ◆ Redeveloped infrastructure
 - ◆ Improved access road from Guatemala City
 - ◆ Renovated central park and other plazas
 - ◆ Organized public market (as an attraction)
- ◆ Tourism is a major part of the economy
- ◆ Middle class city in a developing country
- ◆ ***The Soul of the Land***

Case Study: Kerala, India (1/2)

Initiative

Overview

Description

- ◆ Relatively unknown “region” until the early 1980s due to southern location
- ◆ Traditional tourism tours concentrated around the north (Delhi, Mumbai/Bombay, Kashmir, Agra)
- ◆ Unique culture and traditions with varied demographics



Case Study: Kerala, India (2/2)

Initiative

Positioning and actions

Description

- ◆ Kerala Tourism Development Corporation (state government agency) launched aggressive marketing campaigns
- ◆ The tagline, “God’s Own Country” was used in all marketing campaigns and became synonymous with the region
- ◆ Ecotourism initiatives developed
- ◆ National Geographic Traveler named Kerala as one the “ten paradises of the world” and “50 places of a lifetime”

Results

- ◆ In 2006, Kerala attracted 8.5 million tourist arrivals, an increase of 23.6% (currently 13.3%) over the previous year, making the region one of the fastest-growing tourist destinations in the world
- ◆ Super-brand status allows Kerala to be regarded as a destination with a high brand recall

Tag line

- ◆ ***God’s Own Country***



Case Study: Burkina Faso

Initiative

Description

Overview

- ◆ Landlocked country directly north of Ghana
- ◆ One of the world's lowest GDP per capita: \$1,200 (vs \$2,700 in Ghana)

Positioning and actions

- ◆ Invested in film industry
- ◆ Has developed one of the most advanced film production and distribution facilities in West Africa, if not all of Africa
- ◆ Hosts the Pan-African Film and Television Festival of Ouagadougou

Results

- ◆ Investment from the French Ministry of Co-operation
- ◆ Festival is renowned in African studies academic circles
- ◆ Infrastructure (film schools, theaters, etc) improvements privately funded

Potential Growth

Target audience

Case Studies

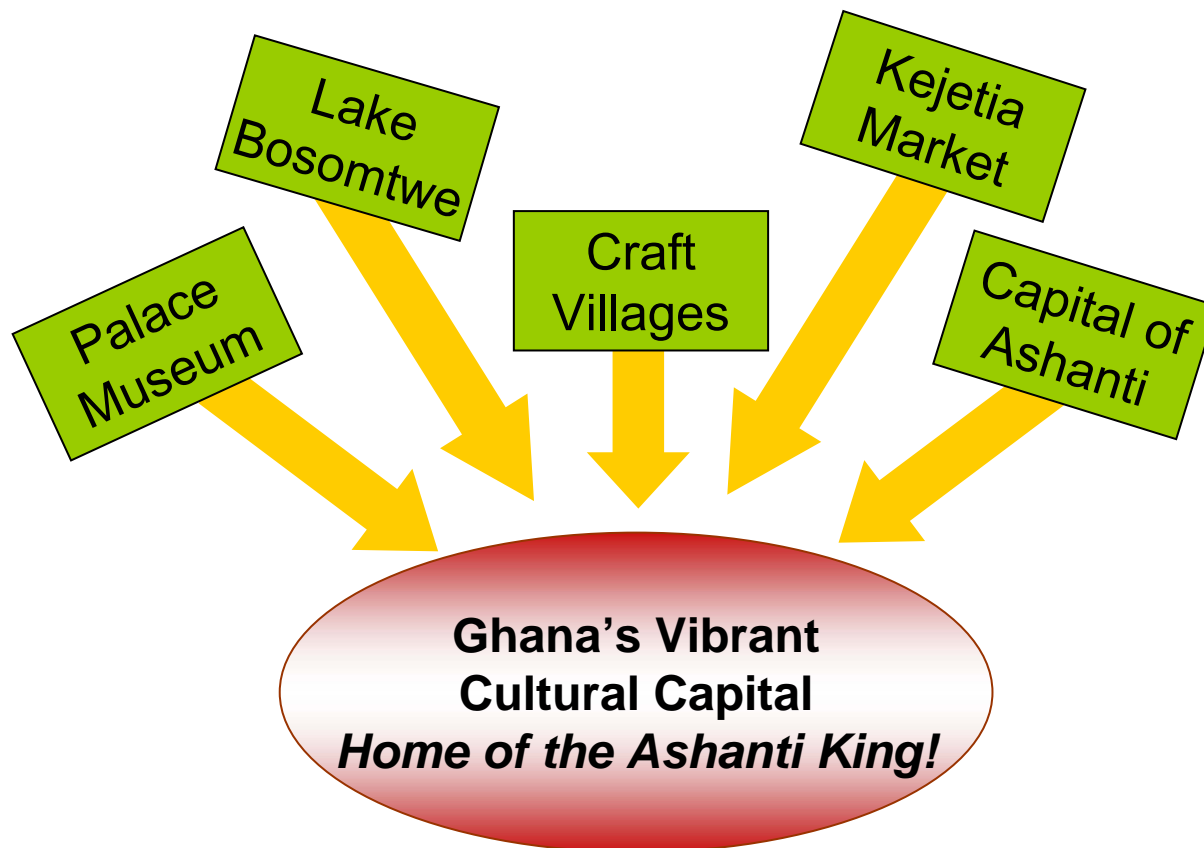
Kumasi Product and Positioning

Communication

Implementation

The Product Extends Beyond the Kumasi City Limits

- ◆ Although many tourist attractions are not under the authority of the Kumasi Metropolitan assembly (KMA) or the Kumasi Tourism Board, attractions need to be marketed together to enhance their drawing power (1+1 = 3)
 - Coordination among different stakeholders is necessary



Kumasi Positioning Formulation

- ◆ Kumasi should be positioned as Ghana's cultural center given its status as the capital of the Ashanti Kingdom and its natural and cultural surroundings

Building Block:

Culture

Main Attractions:

- Capital of the Ashanti Kingdom
- Kejetia Market
- Kente Cloth
- Adinkra Cloth
- "Wood Village"
- Lake Bosomtwe

Personality: Warm, Friendly, Authentic

- ◆ Cost-effective approach to enhance the value proposition of Kumasi region

Product Improvement

- ◆ Kumasi must improve its product and its packaging
- ◆ First steps:
 - Better coordination among stakeholders to plan complete packages:
 - ✓ Targeting tourists already in Ghana on holiday or on business
 - ✓ Offering several days in Kumasi with organized visits of key sites
 - Better staff training to ensure level of service and raise level of awareness
 - Urban renewal initiatives are needed, preferably in the framework of integrated city development strategies
- ◆ Longer term initiatives:
 - Improve local infrastructure:
 - ✓ Internet
 - ✓ Transport

Potential Growth

Target audience

Case Studies

Kumasi Product and Positioning

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Communication Overview

- ◆ Kumasi's communication strategy is inadequate
 - No Website
 - No coordination between Kumasi and surrounding districts and tour operators
 - National Tourism Board only marketing Kumasi and surrounding attractions on a stand-alone basis
 - Difficult to raise awareness of Kumasi attractions
- ◆ The Kumasi Metropolitan Authority will need to partner with all stakeholders to develop a communications strategy
 - Leadership of adjoining districts
 - Tour operators
 - Local tourist board representative
- ◆ A new entity composed of these stakeholders would be effective in marketing Kumasi and its surrounding districts as a broader cultural area

Communication initiatives

Initiative	Description
Regional website	<ul style="list-style-type: none">◆ Create an attractive, detailed website that aims to:<ul style="list-style-type: none">➤ Detail points of interest, accommodations, transport, including links to hotels, tours, travel➤ Provide information about local services and conditions➤ Permit easy booking (hotel rooms, tickets, tours, etc.)➤ Provide low development cost for an institution like KNUST (Kwame Nkrumah University of Science and Technology)
Online search advertising	<ul style="list-style-type: none">◆ Bid for key words like Ghana, Ashanti, and African vacation◆ Low cost due to likely bidding price for key-words
Regional brochure	<ul style="list-style-type: none">◆ Produce detailed and attractive brochures aimed at providing all the information needed to tourists◆ Distribute in key points of Ghana: airports, hotels and tourist attractions nationally◆ Use primarily for in-country visits to Kumasi, not to distribute internationally
Partner with hotels in Accra / Kumasi	<ul style="list-style-type: none">◆ Work with hotels to distribute brochures to concierges and gift shops◆ Hotel chains occupying both Accra and Kumasi are ideal candidates (Golden Tulip)

Communication initiatives cont'd

Initiative	Description
Partner with airlines i.e. Delta	<ul style="list-style-type: none">◆ Reaches audience on flights through magazines, TV advertisements◆ Targets leisure and business travelers with disposable income◆ Establishes long-term symbiotic growth for Kumasi and airline◆ Creates synergies – advertises Kumasi as a destination
Public relations initiatives with travel magazines	<ul style="list-style-type: none">◆ Travel magazines usually willing to receive new content◆ Suitable for campaign launch but not sustainable over long-term◆ Requires a dedicated public relations/marketing manager to market the region effectively and attract positive reviews
Travel sites / providers	<ul style="list-style-type: none">◆ Feature on travel websites: Expedia, Travelocity, Orbitz, etc.
Outfitters / retailers/ adventure groups	<ul style="list-style-type: none">◆ Access to target market via catalogues, in-store advertisements, etc◆ Locations to distribute brochures and information
Designing a tag line	<ul style="list-style-type: none">◆ Simple message to communicate what Kumasi has to offer◆ To be placed in all promotional materials

Tagline

What is a tagline?

“A tagline represents the brand position (or communication goals) and its function is to communicate with the external audience.”¹

Why does Kumasi need a tagline?

- Summarizes the positioning statement of Kumasi
- Creates awareness of Kumasi and positions it among target market
- Gathers local support for the tourism initiative

Criteria

- Reflects positioning statement
- Appealing for target market
- Simple

Selecting a tagline should involve qualitative research among target market in order to determine its effectiveness:



1. Aaker, David and Joachimsthaler, Erich (2000). *Brand Leadership* (New York: The Free Press), p. 47.

Three potential taglines for Kumasi



Attributes

What it needs to succeed

Kumasi: Heart of the Kingdom of Ashanti

- ◆ “Heart” has an emotional appeal
- ◆ “Kingdom” is more powerful than “region”
- ◆ Kingdom of Ashanti vs Ashanti Kingdom

- ◆ Endorsement of King
- ◆ Change of colloquial speech: “Kingdom of Ashanti”

Ashanti: The Hidden Kingdom

- ◆ “Hidden” implies mystery and exploration; encourages people to learn more about it
- ◆ Focus on a region rather than a city

- ◆ Has endorsement of King
- ◆ Change of colloquial speech: “Kingdom of Ashanti”

Kumasi: Come and See!

- ◆ Alliteration with Kumasi
- ◆ Simple and short while easy to remember
- ◆ Applies to multiple attractions

- ◆ Graphic that links tagline to cultural positioning

Research is Fundamental !

Potential Growth

Target audience

Case Studies

Kumasi Product and Positioning

Communication

Implementation

Ashanti Tourism Corporation is Essential for the Success of this Plan

The Ashanti Tourism Marketing Corporation, supported politically by the Regional Coordination Council, will implement the initiatives in this project and coordinate tasks among all the stakeholders

Ashanti Tourism Marketing Corporation

Objectives

- ◆ Coordinates efforts among stakeholders
- ◆ Regulates the sector locally so as to maximize the total value that the tourist experience has to offer (e.g. create Kumasi visiting packages)
- ◆ Tailors effective external communication and marketing
- ◆ Diffuses information locally

Board members

- ◆ Kumasi Metropolitan Assembly (leadership)
- ◆ Other district authorities
- ◆ Ghana Tourist Board
- ◆ Traditional authorities
- ◆ Millennium Cities Initiative
- ◆ Regional coordination offices
- ◆ Private sector operators

Funding

- ◆ Tourism tax
- ◆ Dues from operators
- ◆ Government / traditional authorities

Ashanti Tourism Marketing Corporation – Cont'd

Operation

- ◆ Quarterly board meetings to set strategic direction
- ◆ Day-to-Day operational responsibility by a CEO and 4-5 staff
- ◆ CEO and staff must make quarterly reports to the board members

Roles & responsibilities

- ◆ Develop / maintain / update regional website
- ◆ Develop / distribute regional brochure
- ◆ Collect and analyze statistics on tourism activities
- ◆ Manage PR / advertising program for the region
- ◆ Coordinate with Regional Tourism Board to hold training sessions for tour operators, hotel staff, airport staff, etc.
- ◆ Communicate needed infrastructure development to appropriate government agencies
- ◆ Develop and meet operational budget
- ◆ Perform annual evaluations on the impact of marketing efforts
- ◆ Liaise regularly with tour operators, hotels, airlines, bus operators to ensure their needs are met
- ◆ Seek private sector investment in tourism attractions and infrastructure
- ◆ Anticipate and mitigate negative externalities from increased tourism
- ◆ Seek opportunities to license brand